

PRESIDENT'S COMMISSION
ON
PERSONNEL INTERCHANGE

PRESIDENT'S COMMISSION
ON
PERSONNEL INTERCHANGE

December 15, 1969

TABLE OF CONTENTS

	<u>Page Number</u>
Purpose of Executive Interchange Program	1
Management of the Program	3
Eligibility Requirements	5
Steps in the Selection Process	7
Conditions of Appointment	9
Avoiding Conflicts of Interest	11
The Host Organization's Commitment to Interchange Executives	13
Personal Development Program	15
Interchange Executive and Program Evaluation Plan	17
Publicity for Personnel Exchange Program	19
Obligations to Nominees and Appointees	21

Approved For Release 2002/05/07 : CIA-RDP89-01114R000100020006-8

Purpose of Executive
Interchange Program

Approved For Release 2002/05/07 : CIA-RDP89-01114R000100020006-8

PURPOSE OF EXECUTIVE INTERCHANGE PROGRAM

In recent years, the relationship of business and Government has attracted increasing attention. In addition to being an innovative force for responding to social issues, Government has also become a balancing force in an economy which has become increasingly large and complex. Similarly, while business has long been perceived as the dynamic force behind economic progress, in the last few years it has been participating more and more as an agent of social change.

The growing size and intricacy of national economic and social problems has created a need for greater cooperation and understanding between Government and industry. In many cases neither sector alone has the resources or knowledge sufficient to deal with the issues which face it.

The continuing specialization of function within public and private administration has made it essential that leaders in both sectors achieve a better understanding of the purposes of their counterparts. By avoiding the isolation effect of specialization, the program will provide clearer understanding about the motives of men and institutions of the other sector.

The President's Commission on Personnel Interchange has been established in response to the problems of limited resources and specialization. The overall purpose of Executive Order 11451, establishing the Commission, is to provide highly motivated young executives from middle management levels of industry with first hand experience in the processes of our national Government. At the same time, gifted young Americans pursuing careers in the Federal Service will be provided with the opportunity for similar involvement in the business sector.

The program will provide outstanding career people in business and Government with mid-management operating exposure to the philosophies, practices, disciplines, problems, and objectives of the other arenas. No discrimination in selection or treatment of a nominee at any stage of the program will be made on the basis of race, color, religion, sex, political affiliation, or national origin. These appointments will:

- *improve* executive performance in American public and private organizations by exposing the appointees to the skills and knowledge of managers in the other sector.

- *foster* cooperative action between Government and industry by broadening the experience of rising public and private executives.
- *initiate and encourage* a continuing exchange of innovative and effective management practices between Government and industry.
- *develop* a group of private executives with government experience who could be called upon in the future for advice and counsel.
- *open* both sectors to fresh thinking on problems and programs.
- *demonstrate* the benefits of such cross-over experience so as to encourage the further development of similar interchange programs.

Approved For Release 2002/05/07 : CIA-RDP89-01114R000100020006-8
Management of the
Program

MANAGEMENT OF THE PROGRAM

The President's Commission on Personnel Interchange is responsible for developing and implementing the Executive Interchange Program. It establishes program policies and directs the day-to-day functions through its executive staff. Under the guidance and review of the Commission, the executive staff will establish operating procedures, and perform the routine business of conducting the operating program.

The Commission is also responsible for making recommendations to the President as to ways of promoting further interchange between Government and the private sector.

A group of Presidential appointees nominated by the heads of the major departments and independent agencies will serve as the liaison between their agencies, the Presidential Commission, and private organizations in the selection of candidates and positions. Final selections and work assignments will be recommended to the Presidential Commission.

The Commission may ask for qualification and suitability investigations on candidates. It may call upon the U.S. Attorney General for rulings and resolutions of cases concerning conflicts of interest, and upon other organizations as may be appropriate to carry out its program management responsibilities. As provided in the Executive Order, each Federal department and agency shall cooperate with the Commission and shall furnish it with such assistance as the Chairman may request in connection with the program.

Approved For Release 2002/05/07 : CIA-RDP89-01114R000100020006-8
Eligibility
Requirements

ELIGIBILITY REQUIREMENTS

Men and women from mid-level careers in private business or in Federal Civil Service are eligible for this program provided they are nominated by the head of their company or agency and are citizens of the United States. Citizens overseas may be nominated if they will be returning to the United States prior to the convening of the screening committee. While strict age and salary ranges will not be established, it is expected that the candidates will generally be between the 25- and 40-year-old bracket and have salaries between ~~\$18,000 and \$28,000~~.

Candidates will be selected annually, but duration of assignments under the program will be kept somewhat flexible depending upon each situation. Generally speaking, however, an assignment will probably last a minimum of one year. The assignments will usually begin during summer months to minimize disruption of school transfers or separation of families. However, if mutually agreeable to participant and interchange employer, other arrangements could be made.

At least in the first year of the program, participants will be limited to approximately twenty from each sector.

Approved For Release 2002/05/07 : CIA-RDP89-01114R000100020006-8
Steps in the
Selection Process

STEPS IN THE SELECTION AND ASSIGNMENT PROCESS

1. Announcement -- Each year the Commission will invite public and private organizations to nominate prospective candidates for the Executive Interchange Program.
2. Application -- Candidates will be proposed for the program by their company president or Federal agency head, and submitted to the Presidential Commission. Official nomination forms will be provided. Managers should be motivated to nominate the most promising candidates. The nominees should be made aware that participation will be in the best interest of their organization, their country, and individual careers.
3. Review of Nominees -- The Commission will conduct the initial review of all applications and may request the Bureau of Investigations, C.S.C., to conduct qualification and suitability inquiries on proposed candidates. The Commission will review the backgrounds of all nominees.

Because of the fundamental career development aspects of this program, primary consideration will be given to such factors as special abilities which indicate promise of future leadership, educational achievement, prior on-the-job achievement, intellectual capacity, and interest in community and governmental affairs.

4. Selection of Assignments -- Liaison officials will serve as the catalyst for developing challenging assignments within the various departments. These positions will be reviewed by the Commission for their appropriateness. The Presidential Commission will assist in soliciting active program support from businessmen, and encourage companies to suggest challenging positions for which they will accept suitable candidates from Government. These positions will also be reviewed for their appropriateness by the Commission.
5. Matching Man and Position -- The work assignment is the heart of the Executive Interchange Program. The assignments are intended to provide the executive with a total immersion in the operations of the Federal government and the business sector. Throughout the assignment, emphasis is placed on direct participation in the operation of the Government agency or business enterprise to which these Interchange Executives will be assigned.

The initial assignment will be carefully negotiated by the responsible private and public officials with a due regard for the importance of selecting the work assignment best suited to each individual. If necessary for proper job assignment, personal interviews will be conducted. It is neither necessary nor recommended that appointees be kept on one job or in one segment of the organization. Recognizing the continuum of change that takes place in organizations, it is possible that temporary new assignments may be offered to many persons while in the program. However, if the new function is a significant change, it must be reviewed in advance by the Commission.

Once proper assignments are determined, the Commission will formally announce the participants.

6. Special Recognition -- Appointees will receive special recognition by the President's Commission, the Federal agencies, and business as considered appropriate.

Approved For Release 2002/05/07 : CIA-RDP89-01114R000100020006-8

Conditions of
Appointment

Approved For Release 2002/05/07 : CIA-RDP89-01114R000100020006-8

CONDITIONS OF APPOINTMENT

Those candidates selected as Interchange Executives by the Commission will be placed on the payroll of the company or Federal agency to which they are assigned. During the selection and matching process, salaries will be negotiated by the appropriate Government and industry representatives. It is expected that salary range will be from ~~\$18,000~~ to ~~\$28,000~~. Differentials in salaries, fringe benefits, moving allowances, and related matters will be worked out on a case-by-case basis by each corporation or Federal agency to avoid financial sacrifices.

Federal employees selected will be on a leave-without-pay status by their sponsoring agencies upon entry into the program and placed on the payrolls of the host organization in the private sector. The persons selected from private business will be hired by the Federal government under a special Schedule A appointing authority granted by the U.S. Civil Service Commission with the usual fringe benefits, and also will be on a leave of absence from their companies. If necessary, the participating corporations shall be encouraged to amend their benefit plans to treat temporary Government service in a similar manner to that of military service. Such treatment will help reduce the financial sacrifice which many corporate executives may incur by serving the Government in this program.

Under Section 209 (a) of Title 18, U.S. Code, appointees cannot receive compensation for their services as employees of the United States from any other source except the Government of the United States. Thus, the business executive cannot receive from his company any payments to supplement his Government compensation. Section 209 (b) of Title 18, however, provides that this provision does not prevent an employee from "continuing to participate in a bona fide pension, retirement, group life, health or accident insurance, profit-sharing, stock bonus, or other employee welfare or benefit plan maintained by the former employer." The Office of Legal Counsel of the Department of Justice has ruled that this provision applies to an executive coming to Government under this program; therefore, there is no particular barrier for a business executive taking a leave of absence and working for the Government on a full-time basis so long as the conflict of interest laws and regulations are strictly observed.

Avoiding Conflicts
of Interest

Approved For Release 2002/05/07 : CIA-RDP89-01114R000100020006-8

Approved For Release 2002/05/07 : CIA-RDP89-01114R000100020006-8

AVOIDING CONFLICTS OF INTEREST

It is essential that adequate measures be taken to avoid placing Interchange Executives in potential conflicts of interest. For this reason, the following safeguards are to be incorporated in this program.

1. The compensation of appointees from the private sector cannot be supplemented by their companies during the period of Federal employment (see page 7, third paragraph regarding Title 18 of the U.S. Code, Sections 209 (a) and (b)).
2. Appointees may be required to submit a Statement of Employment and Financial Interest for review by the legal staff of the private organization or Government agency before assignment.
3. Before final designation of work assignments, the Commission will again review the tentative assignments to ensure that appointees are not placed in situations which might lead to conflicts of interest. When deemed necessary, these assignments will be formally cleared by the agent's general counsel office or by the private business general counsel office.
4. A representative of the host organization will make continuing reviews to assure avoidance of potential conflicts of interest. If at any time the representatives determine that a conflict of interest appears to be developing, they will immediately consult with their agency's or company's general counsel and, if necessary, recommend a change in work assignment to the Commission.

Approved For Release 2002/05/07 : CIA-RDP89-01114R000100020006-8
The Host Organization's
Commitment to
Interchange Executives

THE HOST ORGANIZATION'S COMMITMENT
TO INTERCHANGE EXECUTIVES

The host organizations and the Interchange Executives have mutual responsibilities for the success of this program. It should be fully understood that certain organizational and personal commitments are necessary to meet the objectives of the program: a deeper understanding of the interrelationships between business and Government. Therefore, it is mandatory that the host organization observe the following:

1. That the assignment be a meaningful one and continually reviewed with regard to individual development.
2. That personal development programs complement and expand the working experience.
3. That at the end of the assignment, the appointees will return to their sponsoring organizations; and that management at all levels fully understand the purpose of the assignment and are prohibited from encouraging the Interchange Executive to pursue a career in the host organization's sector.
4. That the host organization will make periodic evaluations of the individual's experience and report these to the Commission.
5. That a report of experience gained be prepared by the host organization at the conclusion of the assignment to provide case histories for reference in determining future assignments.

Approved For Release 2002/05/07 : CIA-RDP89-01114R000100020006-8
Personal Development
Program

PERSONAL DEVELOPMENT PROGRAM

The purpose of the program is to fully engage the Interchange Executives in the job function. A supplementary development program will be provided to place their working experience into the context of the assigned sector. However, placing more emphasis on the development program than on the work assignment would defeat the purpose of the program. Government and business executives will participate in educational programs designed to supplement their work experience. These programs will be organized and directed by a nonprofit organization with any assistance as may be necessary from participating Federal agencies, private organizations, and the Commission.

Upon entry into the Interchange Program, all executives will participate in an extensive seminar in the Washington area. This seminar will serve as the initial orientation and will offer the Interchange Executives an opportunity to interact with the Commission. At the conclusion of the work assignments, a follow-up seminar will be conducted, bringing together all the participants of the first group. This gathering will serve as a summary analysis and evaluation of the Interchange Program and should provide valuable information to the Commission for adjusting and modifying the program.

For Interchange Executives engaged in the business sector, the training program should contain, at a minimum, instruction in business-oriented areas. The proposed program should be reviewed by the Commission upon the Interchange Executive's entry on the job.

For participants from business engaged in Government functions, a group program will be offered which presents an analytical look at the changing role in making and carrying out public policy. In addition, this program will explore American political culture, stability of government systems in the midst of political and social change, interaction among the various branches of government, interaction of the Federal government, state and local governments, and policy presentations of public interest groups, the President and Congressional leaders. The program will also offer a look at the commonality of interest, the need for increased cooperation between business and Government, and a review of national fiscal and monetary policies in joint Government-business action in resolving critical problems, particularly those of our urban areas.

Other educational experiences may be developed on an individual basis by the various employing agencies and companies to assist Interchange Executives with the work assignments and to reinforce the learning which takes place on the job. These might include informal gatherings at night, and perhaps dinners or receptions for the Interchange Executives from both sectors.

Approved For Release 2002/05/07 : CIA-RDP89-01114R000100020006-8
and Program
Evaluation Plan

INTERCHANGE EXECUTIVE AND PROGRAM EVALUATION PLAN

Interchange Executives in Government and business must be provided with an opportunity to review their own assignments and be counselled by the Commission on a personal basis. Thus, monitoring the varied assignments on a continuing basis is an integral part of the program. This process will include informal consultation with the Interchange Executives to obtain feedback from them on their work experience.

Throughout the program, the employing organization will make evaluation reports on the Interchange Executive's experience and performance. The Commission will confer with the individual and the employing organization, as needed on a personal and written level, to assure the obtainment of a meaningful experience and to resolve problems.

To facilitate the evaluation process, a representative from each host organization will be requested to act as liaison between the Interchange Executives and the Commission. These liaisons will work in cooperation with the Commission to develop and maintain continuing contacts with those participating executives. They will also aid in arranging informal meetings complementing the educational program.

The evaluation procedure, as a means of compiling statistical information on the program and maintaining close personal contact, will be done on an informal and formal basis. It will be conducted on a planned schedule, but informal communications will be conducted often at gatherings in Washington or by telephone conversations with those Executives in other cities. These telephone conversations will be made a matter of record.

At the completion of the program, a detailed report of experience gained will be prepared by the employing organization and the Interchange Executive. These reports will be forwarded to the Commission and the sponsoring organization in order that future career assignments can take full advantage of these experiences. The Commission will conduct post-program follow-ups with Interchange alumni to assess program impact on career progress and utilization.

Approved For Release 2002/05/07 : CIA-RDP89-01114R000100020006-8

Publicity for
Personnel Exchange
Program

Approved For Release 2002/05/07 : CIA-RDP89-01114R000100020006-8

PUBLICITY FOR PERSONNEL EXCHANGE PROGRAM

A publicity campaign will be conducted to establish the Executive Interchange Program as a highly prestigious organization.

To be successful, this campaign must include:

1. A liaison with the White House publicity staff to plan appropriate press releases concerning the Executive Interchange Program.
2. Public endorsements from concerned public and private organizations.
3. Press releases on the selected candidates for hometown newspapers.
4. Articles and press releases in mass media such as newspapers, magazines, professional journals, and in-house publications of Government and business.
5. Brochures to describe in detail the purposes and operations of the program.

Obligations to
Nominees and
Appointees

Approved For Release 2002/05/07 : CIA-RDP89-01114R000100020006-8

OBLIGATIONS TO NOMINEES AND APPOINTEES

Entrance into this program will be limited to those middle management level employees showing the highest promise. Therefore, it is expected that following this executive-level experience, Interchange Executives will be offered significant career opportunities. These opportunities should be discussed thoroughly with persons nominated for the program. This kind of career encouragement by the sponsoring organization thus becomes the motivational foundation for the participant.

Program interest and prestige should be developed through such recognition features as outlined below:

Nominees - Each Interchange Executive may receive special recognition from the sponsoring company or Federal agency.

Because the nature of this program requires careful matching of man and position, not all of the nominated candidates will be participants. The lack of a suitable assignment for nominated candidates should not be interpreted adversely by the individual or nominating organization. The matching process is not one of competition among nominees, but merely reflects the best assignment of individuals which meet the goals of the program.

Appointees - Interchange Executives, upon completion of the program, will receive engraved, framed certificates signed by the Chairman of the Presidential Commission.

STAT

Approved For Release 2002/05/07 : CIA-RDP89-01114R000100020006-8

Approved For Release 2002/05/07 : CIA-RDP89-01114R000100020006-8